



State of California—Health and Human Services Agency
Department of Health Care Services



GAVIN NEWSOM
GOVERNOR

DATE: June 17, 2019

MHSUDS INFORMATION NOTICE NO.: 19-032

TO: COUNTY BEHAVIORAL HEALTH DIRECTORS
COUNTY ALCOHOL & DRUG ADMINISTRATORS
COUNTY BEHAVIORAL HEALTH DIRECTORS ASSOCIATION OF CALIFORNIA
CALIFORNIA COUNCIL OF COMMUNITY BEHAVIORAL HEALTH AGENCIES
COALITION OF ALCOHOL AND DRUG ASSOCIATIONS
CALIFORNIA ASSOCIATION OF ALCOHOL & DRUG PROGRAM EXECUTIVES, INC.
CALIFORNIA ALLIANCE OF CHILD AND FAMILY SERVICES
CALIFORNIA OPIOID MAINTENANCE PROVIDERS
CALIFORNIA STATE ASSOCIATION OF COUNTIES
CALIFORNIA CONSORTIUM OF ADDICTION PROGRAMS AND PROFESSIONALS

SUBJECT: DRUG MEDI-CAL ORGANIZED DELIVERY SYSTEM 837
INSTITUTIONAL (837I) CLAIMS FOR AMERICAN SOCIETY OF
ADDICTION MEDICINE (ASAM) LEVEL OF CARE 3.7 AND 4.0

PURPOSE

This MHSUDS Information Notice (IN) serves as an introduction to the Drug Medi-Cal Organized Delivery System (DMC-ODS) 837I claims. The 837I claims are to be submitted for Withdrawal Management (WM), and Residential Hospital (RH) with ASAM Level of Care 3.7 and 4.0 services.

The purpose of this IN is to:

1. Notify DMC-ODS counties, effective March 12, 2019, the Short-Doyle Medi-Cal II (SDMC II) adjudication system was enhanced in order to process 837I claims;
and
2. Provide instructions on submitting 837I claims for these services.

BACKGROUND

Under the DMC-ODS, counties have the option of providing medically monitored and/or managed intensive residential treatment services under ASAM Levels of Care 3.7 and 4.0. These services are provided in an inpatient hospital setting or in an Intermediate Care Facility-Addiction facility, reimbursable through the DMC-ODS Waiver when delivered by a licensed and certified Chemical Dependency Rehabilitation Hospital or a licensed and certified Freestanding Acute Psychiatric Hospital.

These services are classified as institutional services and any related claims must be submitted using an 837I Electronic Data Interchange (EDI) transaction file. Additionally, 837I claims have different submission requirements in order to be compliant by the Health Insurance Portability and Accountability Act (HIPAA).

DISCUSSION

Unlike 837Professional (837P) claims, which uses Healthcare Common Procedure Coding System (HCPCS) and modifiers, 837I claims require a Revenue Code and Procedure Coding System (PCS) Code located in loop 2400, SV 201 and SV 202, to be included in the EDI transaction file. In addition to the new Revenue and PCS codes, and in collaboration with the Department's Office of HIPAA Compliance and members of the X-12 Accreditation Standards Committee, 837I claims must include the Demonstration Project Indicator (DPI) Segment located in loop 2300, REF03, in order to identify the type and level of WM and RH services.

Withdrawal Management 3.7 and 4.0 claims must be submitted using only the Revenue Code, PCS Code, and DPI Segment combinations outlined in Exhibit A, "837I Billing Combination." Residential Hospital 3.7 and 4.0 claims, however, can include any of the PCS Codes outlined in Exhibit B, "Procedure Coding System Codes," along with the appropriate Revenue Code and DPI Segment outlined in Exhibit A.

CLAIM ADJUSTMENT REASON CODES (CARC) AND REMITTANCE ADVICE REMARK CODES (RARC)

Additional CARC and RARC have been implemented in SDMC II as a result of the addition of new ASAM Level of Care 3.7 and 4.0 services. The additional CARC and the RARC specific to these changes are included in Exhibit C, "837I CARC/RARC."

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The Implementation Guides may be purchased online through the Accredited Standards Committee X12 store. The Companion Guide on the 837I transaction set and codes is forthcoming.

Questions regarding the content of this Information Notice and its enclosures, or resources to allow software vendors to implement these changes into their billing systems may be directed to Eleazer Munoz at either (916) 713-8587 or eleazer.munoz@dhcs.ca.gov.

Sincerely,

Original signed by

Brenda Grealish, Acting Deputy Director
Mental Health & Substance Use Disorder Services

Enclosures